

TALKING POINTS

HB 541 - Summer Youth Employment

Major Points:

1. Montana's rate of youth living in poverty is a serious problem.
2. We can either invest in youth today so they are an asset tomorrow, or ignore the problem and pay higher social services and corrections costs in the future.
3. A simple summer jobs program can make a huge difference.
4. SYE is simple and cost-effective. It is both good public policy and a sound financial investment.
5. SYE will sunset in 2009 providing documented outcomes and performance measures to inform any future decision making.
6. SYE is supported by those in local government and private nonprofits who see the need and agree that SYE provides an effective solution.

NEED:

1. **Far too many youth in Montana live in poverty and are likely to continue in the cycle of poverty unless they find opportunities to break the cycle.**
 - 1 out of every 5 (20%) youth under the age of 17 lives in poverty, i.e. \$18,850 for a family of 4 (2004).
 - This jumps to 1 of every 3 (34%) youth living in families living at 150% of poverty, i.e. \$28,275 for a family of 4.
 - Using the 2000 Census, approximately 6.5% -- or 58,446--of Montana's population was between the ages of 14 and 17. Using this percentage, it is estimated that there are somewhere between 11,690 to 20,000 14 to 17 year olds living in poverty (100% to 150% of federal poverty guidelines).
2. **We can either invest in youth today so they are an asset tomorrow, or ignore the problem and pay higher social services and corrections costs in the future.**
 - 33% of all children under the age of 18 live in families where no parent has regular, full time employment. This percentage is undoubtedly higher in low-income families.
 - Between 1 to 2 out of every 10 Montana students drops out of high school and fewer than 65% of Montana's Native American students complete high school. Again, these percentages are even higher among the low-income households.
 - There is no program or funding that helps to provide jobs for low-income youth 14-17 years old.
 - While Montana is seeing increased job opportunities across the state, there is no similar increase in opportunity for kids 14-17 years old that want to work and need to work in order to help with the household, pay for their own school clothes and have any disposable income.
 - What jobs are available to this age group, are seldom accessible by youth from low-income backgrounds.

SOLUTION:

3. A summer jobs program is particularly needed for teens living in low-income households.

- A summer jobs program for low-income teens 14-17 years old will provide a critically important positive first work experience and increase the likelihood of obtaining subsequent employment and acquiring skills that are vital to moving out of poverty.
- A positive summer job experience is a critical factor in keeping high school aged youth in school and doing better in school.
- The proposed program targets youth in the 125% of poverty range or less. It is estimated that there are somewhere between 12,000 to 20,000 14-17 year olds in this subpopulation.
- HRDCs will identify both public and private job sites committed to providing supervision and planned work environments for 14-17 years olds. In the past, the bulk of these sites were with city and county governments and school districts. Youth will not operate machinery or engage in other types of labor prohibited under child labor laws.
- Montana's ten HRDCs operated youth employment programs for this age group for ___ years between 19___ and 20___ before federal funding was withdrawn. During those years, poverty rates were ___.

OUTCOMES BASED APPROACH:

4. SYE is simple and cost-effective. It is both good public policy and a sound financial investment.

- HRDCs are committed to employing 1000 youth for every \$1million. This means that 4,000 low income youth will be served. It is anticipated that a summer job experience will successfully cut the high school drop out rate, increase the number of youth entering gainful employment at an earlier age and becoming self-sufficient thereby lessening the need for public assistance in future years.
- For every dollar invested today, it is estimated that \$___ will be saved in the future.
- Even the small amount of income a youth earns during summer employment is enough to make a huge difference in a family's budget. Youth typically use the money to meet basic needs, especially school clothes, transportation and even provide some disposable income that would not be available. And, these dollars are spent locally and tend to stay circulating in the local community.
- HRDCs and the DPHHS are committed to running this program with no more than 10% administration costs. This is significantly less than similar programs in recent years where the administrative costs were as high as___%.
- This Summer Youth Employment program would be administered through the DPHHS in order to work in tandem with and supplement other programs meant

to help families out of poverty, including TANF, the Low Income Home Energy Assistance Program, the Community Services Block Grant and much more.

- It will be implemented locally by the 10 Human Resource Development Council that cover the entire state and work locally under the governance of boards that include locally elected officials, representatives from low-income families and the public. HRDCs have administered similar programs in the past and have prioritized Summer Youth Employment as the single most missed and most needed program today.
- HRDCs will also provide all of the personnel or payroll functions, including payment of the salaries, fringe, insurance (including workers comp) as well as a mix and level of supportive services to be determined locally.

5. SYE sunsets in 2009. Outcomes and performance will be documented for any future decision making.

- This law sunsets in 2009 but gives the program a chance to document the value of the investment and the extent to which it can have a positive impact on lessening poverty.

SUPPORT:

6. The need for a Summer Youth Employment program is widely recognized and supported:

- All 12 MACo districts sponsored a resolution supporting state funding for a Summer Youth Employment Program and was one of only 2 resolutions out of 47 to receive such backing. It was passed at the annual MACo convention with a high priority.
- Other organizations endorsing and supporting a Summer Youth Employment program include the Montana Conservation Corps,
- SYE has bi-partisan support. Co-sponsors include:
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